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BAY AREA FRAUDSTERS SENTENCED FOR WELLS FARGO SCAM

SACRAMENTO, Calif.—United States Attorney McGregor W. Scott announced today that a fourth defendant in a bank fraud scheme, JASMINE NICOLE BUTTS, 23, of Daly City, Calif. was sentenced yesterday by United States District Judge Morrison C. England Jr. to 18 months in prison for her role in a fraudulent check-cashing scheme at Wells Fargo banks in Sacramento, the Bay Area, and in Reno and Las Vegas, Nev. BUTTS pleaded guilty on July 24, 2008.

Three other defendants in the case also were sentenced after pleading guilty as follows: JASMINE CHANEL CARMICHAEL, 21, of San Francisco, was sentenced on June 13, 2008, to 18 months in prison; EBONY CROMWELL, 23, of Vallejo, Calif. was sentenced to 18 months in prison on August 7, 2008; and TIFFANY CHARANADA PIPPINS, 20, of Oakland, Calif. was sentenced to one month in prison and three months home confinement on October 9, 2008.

This case is the product of a joint investigation by the Placer County Sheriff's Department and the United States Secret Service.

According to Assistant United States Attorney Kyle Reardon, who prosecuted the case, beginning in May 2007, an inside source at Wells Fargo Bank began to gather the names and account numbers of high value bank customers. This person would change the contact information in the bank's customer profile data. Using the stolen names and account information, the insider then created fictitious and forged checks in the Wells Fargo account holders' names drawn on their Wells Fargo accounts.

These checks were given to BUTTS or a second person. BUTTS then contacted PIPPINS, CROMWELL, CARMICHAEL, or a fifth defendant, DARCELL EPPS, 20, San Francisco, asking them to cash the fraudulent checks at Wells Fargo Bank. In most cases, before entering the bank, the check-casher was given a fraudulent and forged check in their name that was drawn upon the account of a person identified by the Wells Fargo insider. The check had a forged signature purporting to be from the account holder. When Wells Fargo tellers made telephone calls to verify that the checks made payable to the defendant were properly issued, the true account holder did not receive this phone call, rather, a person working with the defendants received the call because the contact information had been changed beforehand by the insider. The new contact person, unlawfully representing himself or herself as the account holder, then authorized payment to the check-casher.

After receiving this bogus approval from the person posing as the account holder, Wells Fargo employees cashed the checks and delivered the amount on the face of the checks to the person who presented it. That person then left the bank and met with BUTTS who was waiting near the Wells Fargo branch location. Most of the money was delivered to BUTTS and a second person with a portion of the money going to the person cashing the check.

On June 15, 2007, BUTTS drove CROMWELL to Wells Fargo banks in the San Francisco area where CROMWELL cashed three fraudulent checks in the amounts of \$4,815, \$5,130, and \$3,450. On July 18, 2007, BUTTS drove CROMWELL to three banks in Reno, Nev. where CROMWELL cashed another three fraudulent checks in the amounts of \$7,427, \$6,821, and \$5,923.

On July 28, 2007, BUTTS drove CARMICHAEL to four banks in the Sacramento area. On this occasion, BUTTS gave the defendant four forged checks drawn on two accounts held by Wells Fargo Bank. These checks were made out to CARMICHAEL and had forged signatures. CARMICHAEL entered the banks and cashed checks in the amounts of \$5,829, \$2,394, \$4,832, and \$2,135.

On August 7, 2007, BUTTS and PIPPINS flew to Las Vegas, Nev. with another female. Shortly after arriving in Las Vegas, PIPPINS agreed to cash fraudulent checks. BUTTS and PIPPINS drove to various Wells Fargo locations in Henderson, a suburb of Las Vegas. There, PIPPINS cashed six checks at Wells Fargo branches in the amounts of \$6,812, \$7,063, \$5,198, \$4,925, \$7,129, and \$6,481.

As a result of their fraudulent activities, the total amount of money that the defendants obtained from Wells Fargo was approximately \$200,000.

The fifth defendant, EPPS, pleaded guilty on July 3, 2008, to attempting to pass a single fraudulent check on July 10, 2007, in the amount of \$3,722. EPPS is scheduled to be sentenced by Judge England on November 20, 2008.

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